

Message Text

CONFIDENTIAL

PAGE 01 STATE 174454

54

ORIGIN EB-07

INFO OCT-01 ARA-06 ISO-00 SSO-00 FEA-01 AGR-05 CEA-01

CIAE-00 COME-00 DODE-00 FRB-03 H-02 INR-07 INT-05

L-03 LAB-04 NSAE-00 NSC-05 PA-01 AID-05 CIEP-01 SS-15

STR-04 ITC-01 TRSE-00 USIA-06 PRS-01 SP-02 OMB-01

NSCE-00 INRE-00 /087 R

DRAFTED BY EB/OT/STA:MCJONES:DI

APPROVED BY EB/OT/STA:WCLARK, JR.

TREASURY:POSUCHMAN

ARA:JGRUNWALD (INFO)

ARA/ECA:TSHUGART

ARA/ECP:MDAVILA (INFO)

----- 013627

O 142201Z JUL 76

FM SECSTATE WASHDC

TO AMEMBASSY BRASILIA IMMEDIATE

INFO AMCONSUL RIO DE JANEIRO IMMEDIATE

AMCONSUL SAO PAULO IMMEDIATE

C O N F I D E N T I A L STATE 174454

E.O. 11652: GDS

TAGS: EFIN, BR, ETRD

SUBJECT: COUNTERVAILING DUTIES - SIMON-SIMONSEN AGREEMENT
ON LEATHER HANDBAGS

REF: STATE 174070

LINE DROPPED IN SECOND PARAGRAPH OF JULY 13 SUCHMAN-
DORNELLES LETTER AS SENT REFTEL. SECOND PARAGRAPH SHOULD
READ AS FOLLOWS:

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 174454

BEGIN TEXT.

THE WAIVER, WHICH SECRETARY SIMON SIGNED ON JULY 7 AND WHICH WILL BE PUBLISHED IN THE FEDERAL REGISTER TODAY, JULY 13, IS EFFECTIVE ON GOODS EXPORTED FROM BRAZIL ON OR AFTER JULY 1. I HAVE BEEN TOLD THAT YOUR EXPECTATIONS WERE THAT THE ACTION WOULD BE EFFECTIVE ON GOODS ENTERED INTO THE U.S. AS OF JULY 1. IT IS NOT DIFFICULT TO UNDERSTAND HOW SUCH CONFUSION AROSE, SINCE THE MATTER IS NOT ADDRESSED IN ANY DETAIL IN THE MAY 11 EXCHANGE OF LETTERS BETWEEN SECRETARY SIMON AND MINISTER SIMONSEN. SECRETARY SIMON'S LETTER STATES MERELY THAT THE WAIVER WILL BE EFFECTIVE "AS OF JULY 1", WITHOUT SPECIFYING WHETHER IT WOULD BE

EFFECTIVE ON ENTRIES OR EXPORTS AS OF THAT DATE. IT WAS NOT UNTIL THE TERMS OF THE PORTARIAS OF JUNE 24, 1976, WERE MADE KNOWN TO US THAT WE WERE ABLE TO DETERMINE WHAT THE STRUCTURE OF THE WAIVER OUGHT TO BE. YOUR JUNE 24 ACTION, AS WE UNDERSTAND IT, APPLIES TO "EXPORT TRANSACTIONS AS OF JULY 1, 1976". INASMUCH AS THE "ADEQUATE STEPS" TO REDUCE SUBSTANTIALLY THE ADVERSE EFFECT OF THE BOUNTY OR GRANT, AS REQUIRED BY LAW, TAKE EFFECT ON EXPORT TRANSACTIONS AS OF JULY 1, THE WAIVER MUST BE LIMITED BY THOSE TERMS IN ORDER TO BE LEGALLY SUPPORTABLE. IT IS OUR JUDGMENT THAT WE COULD NOT DEFEND A CHALLENGE TO THE WAIVER IF IT WERE TO REMOVE COUNTER-VAILING DUTIES ON IMPORTS STILL RECEIVING THE FULL INCENTIVE BENEFITS. END TEXT. KISSINGER

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: LEATHER, COUNTERVAILING DUTIES, TRADE AGREEMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 14 JUL 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: greeneet
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976STATE174454
Document Source: CORE
Document Unique ID: 00
Drafter: MCJONES:DI
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D760271-0439
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760758/aaaabyxp.tel
Line Count: 88
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 76 STATE 174070
Review Action: RELEASED, APPROVED
Review Authority: greeneet
Review Comment: n/a
Review Content Flags:
Review Date: 14 JUL 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <14 JUL 2004 by CunninFX>; APPROVED <27 OCT 2004 by greeneet>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: COUNTERVAILING DUTIES - SIMON-SIMONSEN AGREEMENT ON LEATHER HANDBAGS
TAGS: EFIN, ETRD, BR, US
To: BRASILIA
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006